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SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]

Filed by a Party other than the Registrant [_]

Check the appropriate box:

[_] Preliminary Proxy Statement

[_] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

[X] Definitive Proxy Statement

[_] Definitive Additional Materials

[_] Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

Tejon Ranch Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[_] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

[_] Fee paid previously with preliminary materials.

[_] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

Notes:

TEJON RANCH CO.
Post Office Box 1000
Lebec, California 93243

April 9, 1999

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Tejon Ranch Co. on Tuesday, May 4, 1999, at 9:30 A.M., Los Angeles time, in Salon IV of the Park Hyatt Los Angeles at Century City, 2151 Avenue of the Stars, Los Angeles, California. Your Board of Directors and management look forward to greeting those stockholders who are able to attend.

The Notice of Annual Meeting and Proxy Statement containing information concerning the business to be transacted at the meeting appear in the following pages. The Annual Report to Stockholders is being mailed under separate cover.

It is important that your shares be represented and voted at the meeting, whether or not you plan to attend. Please sign, date, and mail the enclosed proxy at your earliest convenience.

Your interest and participation in the affairs of the Company are greatly appreciated.

Sincerely,

Robert A. Stine,
President and Chief Executive Officer

TEJON RANCH CO.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
on
May 4, 1999

The Annual Meeting of Stockholders of Tejon Ranch Co. (the "Company") will be held in Salon IV of the Park Hyatt Los Angeles at Century City, 2151 Avenue of the Stars, Los Angeles, California on Tuesday, May 4, 1999, at 9:30 A.M., Los Angeles time, for the following purposes:

1. To elect four directors.

2. To transact such other business as may properly come before the meeting or any adjournment thereof.

The names of the nominees for the Board of Directors of the Company for election at the meeting are: John L. Goolsby, Norman Metcalfe, Kent G. Snyder and Martin J. Whitman.

The Board of Directors has fixed the close of business on March 23, 1999, as the record date for the determination of stockholders entitled to notice of and to vote at the meeting.

Your attention is invited to the accompanying Proxy Statement. To ensure that your shares are represented at the meeting, please date, sign, and mail the enclosed proxy, for which a return envelope is provided.

For the Board of Directors,

RAYBURN S. DEZEMBER, Chairman of the Board
DENNIS MULLINS, Secretary

Lebec, California
April 9, 1999

PLEASE MARK YOUR INSTRUCTIONS ON THE ENCLOSED PROXY, SIGN AND DATE THE PROXY, AND RETURN IT IN THE ENCLOSED POSTAGE PAID ENVELOPE EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING. IF YOU ATTEND THE MEETING AND WISH TO DO SO, YOU MAY VOTE YOUR SHARES IN PERSON EVEN IF YOU HAVE SIGNED AND RETURNED YOUR PROXY.

TEJON RANCH CO.
Post Office Box 1000
Lebec, California 93243

PROXY STATEMENT

Annual Meeting of Stockholders
May 4, 1999

This Proxy Statement is being furnished in connection with the solicitation of proxies by the Company for use at the Annual Meeting of Stockholders to be held on May 4, 1999.

It is anticipated that the mailing of this Proxy Statement and accompanying form of Proxy to stockholders will begin on or about April 9, 1999.

SOLICITATION OF PROXIES

At the meeting, the stockholders of the Company will be asked (1) to elect four directors, and (2) to transact such other business as may properly come before the meeting. Your Board of Directors is asking for your proxy for use at the meeting. Although management does not know of any other matter to be acted upon at the meeting, shares represented by valid proxies will be voted by the persons named on the proxy in accordance with their best judgment with respect to any other matters which may properly come before the meeting.

The cost of preparing, assembling, and mailing the Notice of Meeting, this Proxy Statement and the enclosed proxy ballot will be paid by the Company. Following the mailing of this Proxy Statement, directors, officers, and regular employees of the Company may solicit proxies by mail, telephone, telegraph, or in person; such persons will receive no additional compensation for such services. Brokerage houses and other nominees, fiduciaries and custodians nominally holding shares of record will be requested to forward proxy soliciting material to the beneficial owners of such shares and will be reimbursed by the Company for their charges and expenses in connection therewith at the rates approved by the American Stock Exchange.

RECORD DATE AND VOTING

Holders of shares of Common Stock of record at the close of business on March 23, 1999, are entitled to notice of, and to vote at, the meeting. There were 12,691,253 shares of Common Stock outstanding at the record date. A stockholder giving a proxy may revoke it at any time before it is voted by filing with the Company's Secretary a written notice of revocation or a duly executed proxy bearing a later date. Unless a proxy is revoked, shares represented by a proxy will be voted in accordance with the voting instructions on the proxy and, on matters for which no voting instructions are given, shares will be voted for the nominees of the Board of Directors as shown on the proxy. Stockholders cannot abstain in the election of directors, but they can withhold authority. Stockholders who withhold authority will be considered present for purposes of determining a quorum. The rules of the New York and American Stock Exchanges permit member organizations ("brokers") to vote shares on behalf of beneficial owners, in the absence of instructions from beneficial owners, on certain "routine" matters, including the election of directors and ratification of independent public accountants, but do not permit such votes on "non-routine" matters. Situations where brokers are unable to vote on non-routine proposals are referred to as "broker non-votes." Broker non-votes will not be counted as present for purposes of determining a quorum, have no effect on the outcome of matters requiring the affirmative vote of a majority or super-majority of shares represented at the meeting, and have the effect of a negative vote on matters requiring the affirmative vote of the holders of a majority or super-majority of the shares outstanding.

Stockholders vote cumulatively in the election of directors. Cumulative voting means that each share is entitled to a number of votes equal to the number of directors to be elected, which votes may be cast for one nominee or distributed among two or more nominees. The four candidates receiving the highest number of affirmative votes will be elected as directors. On all other matters, each share has one vote.

STOCK OWNERSHIP OF PRINCIPAL STOCKHOLDERS AND MANAGEMENT

The following table lists the stockholders known to the Company to be the beneficial owners of more than 5% of the shares of Company Common Stock outstanding as of March 18, 1999. The table also provides the stock ownership of all directors and of the most highly compensated executive officers as of the same date.

Name and Address of Stockholder	Amount and Nature of Beneficial Ownership(1)	Percent of Class
Ardell Investment Company P.O. Box 1715 Newport Beach, CA 92659	1,055,828 (2)	8.32%
M.H. Sherman Company P.O. Box 1715 Newport Beach, CA 92659	1,140,630 (2)	8.99%
EQSF Advisers, Inc. 767 Third Avenue New York, NY 10017	3,245,508 (3)	25.57%
Carl Marks Management Company, L.P. 135 East 57th Street New York, NY 10022	756,000 (4)	5.96%
State of Wisconsin Investment Board P.O. Box 7842 Madison, WI 53707	999,600 (5)	7.88%
Directors		
Otis Booth, Jr.	3,472 (6)	below 1%
Craig Cadwalader	2,222,530 (7)	17.51%
Dan T. Daniels	2,225,002 (8)	17.53%
Rayburn S. Dezember	3,472 (9)	below 1%
John L. Goolsby	-0-	-0-
Norman Metcalfe	2,836 (6)	below 1%
Robert C. Ruocco	758,472(10)	5.98%
Kent G. Snyder	977 (6)	below 1%
Geoffrey L. Stack	1,771(11)	below 1%
Robert A. Stine	41,000(12)	below 1%
Martin J. Whitman	3,245,508(13)	25.57%
Executive Officers		
Matthew J. Echeverria	19,300(14)	below 1%
Allen Lyda	14,000(14)	below 1%

Dennis Mullins	11,310(14)	below 1%
James E. Taylor	3,000	below 1%
All officers and directors as a group (18 persons)	6,343,120	49.98%

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(1) In each case, the named stockholder has the sole voting and investment power as to the indicated shares, except as set forth in the footnotes below.

(2) Does not include 26,072 shares (0.21% of the number of shares outstanding) owned of record and beneficially by the Sherman Foundation, a non-profit public charity, three of the trustees of which are directors of Ardell Investment Company and M.H. Sherman Company, those being Messrs. Donald Haskell, who retired on September 30, 1998 as Chairman of the Board of Directors of the Company, and Craig Cadwalader and Dan T. Daniels, directors of the Company. Mr. Haskell is President of the Sherman Foundation, is President and a director of Ardell Investment Company, is Chairman of the Board and a director of M.H. Sherman Company, and has the power to vote a majority of the shares of each company. Mr. Haskell also owns personally 51,100 shares of the Company. Mr. Haskell disclaims beneficial ownership of the shares owned by the Sherman Foundation for all other purposes.

(3) Includes 3,045,508 shares owned beneficially and of record by Third Avenue Value Fund and 200,000 shares owned beneficially and of record by Third Avenue Small-Cap Value Fund. EQSF Advisers, Inc. has sole voting and investment power with respect to these shares.

(4) Includes 521,000 shares owned beneficially and of record by Carl Marks Strategic Investments, L.P., 185,000 shares owned beneficially and of record by Carl Marks Strategic Investments II, L.P., and 50,000 shares owned beneficially and of record by Uranus Fund Ltd. Carl Marks Management Company, L.P. has sole voting and investment power with respect to the shares owned by Carl Marks Strategic Investments, L.P. and Carl Marks Strategic Investments II, L.P. Carl Marks Offshore Management, Inc., which is under common control with Carl Marks Management Company, L.P., has sole voting and investment power with respect to the shares owned by Uranus Fund Ltd.

(5) Based upon information provided to the Company by the stockholder on a Schedule 13G dated January 16, 1999, and filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934.

(6) Includes shares underlying options that are currently exercisable as follows: Mr. Booth 2,472 shares, Mr. Metcalfe 1,236 shares, and Mr. Snyder 977 shares.

(7) Includes 1,055,828 shares owned by Ardell Investment Company, 1,140,630 shares owned by M.H. Sherman Company, and 26,072 shares owned by Sherman Foundation. Mr. Cadwalader is a director of Ardell Investment Company and M.H. Sherman Company and a trustee of Sherman Foundation. Mr. Cadwalader disclaims beneficial ownership as to all of the shares owned by said entities for all other purposes.

(8) Includes 1,055,828 shares owned by Ardell Investment Company, 1,140,630 shares owned by M.H. Sherman Company, and 26,072 shares owned by Sherman Foundation. Mr. Daniels is Vice President, Treasurer and a director of Ardell Investment Company, President and a director of M.H. Sherman Company, and Vice President, Secretary and a trustee of Sherman Foundation. Mr. Daniels disclaims beneficial ownership as to all of the shares owned by said entities for all other purposes. Also includes 2,472 shares underlying options that are currently exercisable.

(9) The shares owned by Mr. Dezember are held by a family trust concerning which he and his spouse share voting and investment power. Includes 2,472 shares respecting options that are currently exercisable.

(10) Includes 521,000 shares owned beneficially and of record by Carl Marks Strategic Investments, L.P., 185,000 shares owned beneficially and of record by Carl Marks Strategic Investments II, L.P., and 50,000 shares owned

beneficially and of record by Uranus Fund Ltd. Mr. Ruocco is a General Partner of Carl Marks Management Company, L.P. and a Vice President of Carl Marks Offshore Management, Inc., and shares voting and investment power for both entities. Includes 2,472 shares respecting options that are currently exercisable.

(11) The shares owned by Mr. Stack are held as community property; he and his spouse share voting and investment power with respect to their shares. Includes 1,727 shares underlying options that are currently exercisable.

(12) The shares owned by Mr. Stine are held by a family trust concerning which he and his spouse share voting and investment power. Includes 40,000 shares underlying options that are currently exercisable or become exercisable within 60 days.

(13) Includes 3,045,508 shares owned beneficially and of record by Third Avenue Value Fund and 200,000 shares owned beneficially and of record by Third Avenue Small-Cap Value Fund. Mr. Whitman is Chairman of the Board and CEO of Third Avenue Trust, which contains Third Avenue Value Fund and Third Avenue Small-Cap Value Fund as investment series, and of EQSF Advisers, Inc., Third Avenue Trust's investment advisor, and has the power to vote a majority of the shares of EQSF Advisers, Inc. Mr. Whitman disclaims beneficial ownership of the shares owned by said entities for all other purposes.

(14) The shares owned by Mr. Echeverria are held as community property; he and his spouse share voting and investment power with respect to their shares. The totals for Messrs. Echeverria, Lyda and Mullins include shares underlying options that are currently exercisable as follows: Mr. Echeverria 19,000 shares, Mr. Lyda 14,000 shares and Mr. Mullins 11,310 shares.

ELECTION OF DIRECTORS

The Board of Directors now consists of eleven directors, the authorized number of directors having been decreased from 12 to 11 over the last twelve months. The directors are divided into three classes based upon when their terms expire. The terms of four directors (Class I) expire at the 2000 Annual Meeting, the terms of three directors (Class II) expire at the 2001 Annual Meeting, and the terms of four directors (Class III) expire at the 1999 Annual Meeting. The regular terms of directors expire at the third Annual Meeting following the Annual Meeting at which the directors were elected, although directors continue to serve until their successors are elected and qualified, unless the authorized number of directors has been decreased.

The names of the nominees of the Board of Directors for election as directors at the 1999 Annual Meeting (all of whom are presently directors) are set forth in the table below, along with certain other information. The table also includes information as to other directors of the Company.

Other than nominations made at the direction of the Board of Directors, nominations of persons for election to the Board of Directors by stockholders must be made pursuant to timely notice in writing to the Secretary of the Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company not later than the close of business on the 10th day following the day on which the Notice of Annual Meeting of Stockholders was mailed. Such stockholder's notice must set forth: (i) as to each person whom the stockholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors or is otherwise required, in each case pursuant to the Securities Exchange Act of 1934, as amended; and (ii) as to the stockholder giving the notice, the name and address, as they appear on the Company's books, of such stockholder, and the class and number of shares of the Company which are beneficially owned by such stockholder.

Except as noted below, each proxy solicited by and on behalf of the Board of Directors will be voted "FOR" the election of the nominees named below (unless such authority is withheld as provided in the proxy) and one fourth of the votes to which the stockholder is entitled will be cast for each of the four nominees. In the event any one or more of the nominees shall become unable to serve or refuse to serve as director (an event which is not anticipated), the proxy holders will vote for substitute nominees in their discretion. If one or more persons other than those named below as nominees for the 1999 Annual Meeting are nominated as candidates for director by persons other than the Board of Directors, the enclosed proxy may be voted in favor of any one or more of said nominees of the Board of Directors or substitute nominees and in such order of preference as the proxy holders may determine in their discretion.

All references to the Company in the table below and the remainder of this Proxy Statement relating to periods prior to June 1987 include references to Tejon Ranch Co., a California corporation and the Company's predecessor, which became a wholly owned subsidiary of the Company as a result of a reincorporation transaction consummated in June 1987.

Nominees for Class III Directors Whose Terms Expire in 1999 and Principal Occupation or Employment(1)	First Became Director	Age
John L. Goolsby Director of America West Holdings Corporation and Nevada Power Company	1999	57
Norman Metcalfe(4)(5) Real estate and investments; Director of First Sierra Financial, Inc.	1998	56
Kent G. Snyder Attorney at Law	1998	62
Martin J. Whitman(2) Chairman of the Board and Chief Executive Officer of Third Avenue Trust and EQSF Advisers, Inc., investment management; Danielson Holding Corporation, insurance; and M.J. Whitman, Inc., stock brokerage; Distinguished Faculty Fellow, Yale University School of Management; Director of Nabors Industries, Inc.	1997	74
Continuing Directors and Principal Occupation or Employment(1)		
Otis Booth, Jr.(3) Private investments and ranching; Director of Clipper Fund, Inc.	1970	75
Craig Cadwalader(3) President, Chief Operating Officer and Director, Ardell Marina, Inc., yacht brokerage; Director, M.H. Sherman Co.	1994	58
Dan T. Daniels(2)(3)(4)(5) President and Director, M.H. Sherman Company, investments	1982	57
Rayburn S. Dezember(2)(3)(4) Chairman of the Board, Tejon Ranch Co.; Director, Bolthouse Farms, Inc., and The Bakersfield Californian	1990	68
Robert C. Ruocco(4) General Partner, Carl Marks Management Company, L.P., investment management; Director of Sport & Health Company, L.C., Seaman Furniture Company, Inc., and Anchor Glass Container Corporation	1997	40
Geoffrey L. Stack(3)(5) Managing Director, SARES.REGIS Group, real estate development and management; Director of Arral & Partners	1998	55

Robert A. Stine(2)(5) President and Chief Executive Officer, Tejon Ranch Co.; Director of Rancho Santa Fe National Bank	1996	52

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(1) Except as set forth below, each of the directors has been engaged in his principal occupation described above during the past five years. There are no family relationships among any directors of the Company.

Mr. Goolsby served as President and Chief Executive Officer of The Howard Hughes Corporation, a real estate development company, from 1990 until his retirement in July 1998. Mr. Metcalfe served as Vice Chairman and Chief Financial Officer of The Irvine Company, a real estate development company, from March 1993 to December 1996. Mr. Stine served as the Chief Executive Officer of Collins Development Company, a real estate development company, from 1986 to April 1995. He became President and Chief Executive Officer of the Company on May 1, 1996, and a Director of the Company on May 13, 1996.

Since March 1990, Mr. Whitman has been the Chairman of the Board, Chief Executive Officer and a Director (and, since January 1991, the President) of Third Avenue Trust, an open-end management investment company registered under the Investment Company Act of 1940 and containing multiple investment series, and its predecessor, Third Avenue Value Fund, Inc. (together with its predecessor, "Third Avenue Trust"). During that time Mr. Whitman has also held the same positions at EQSF Advisers, Inc. ("EQSF"), Third Avenue Trust's investment adviser. Until April 1994, Mr. Whitman also served as the Chairman of the Board, Chief Executive Officer and a Director of Equity Strategies Fund, Inc., previously a registered investment company. Mr. Whitman is a Managing Director of Whitman Heffernan Rhein & Co., Inc., an investment and financial advisory firm which he co-founded in 1987 and which ceased operations in December 1996. Mr. Whitman has been a Director and Chairman of the Board since August 1990 and Chief Executive Officer since August 1996 of Danielson Holding Corporation, an insurance holding company. Since 1974, Mr. Whitman has been the President and controlling stockholder of M.J. Whitman & Co., Inc. (now known as Martin J. Whitman & Co., Inc.) ("MJW&Co") which, until August 1991, was a registered broker-dealer. From August 1994 to December 1994, Mr. Whitman served as the Managing Director of M.J. Whitman, L.P. ("MJWLP"), then a registered broker-dealer which succeeded to the broker-dealer business of MJW & Co. Since January 1995, Mr. Whitman has served as the Chairman and Chief Executive Officer (and, until June 1995, as President) of M.J. Whitman, Inc. ("MJW"), which succeeded at that time to MJWLP's broker-dealer business. Also since January 1995, Mr. Whitman has served as the Chairman and Chief Executive Officer of M.J. Whitman Holding Corp., the parent of MJW and other affiliates. Mr. Whitman is a Distinguished Faculty Fellow in Finance at the Yale University School of Management.

(2) Member of Executive Committee.

(3) Member of Audit Committee.

(4) Member of Compensation Committee.

(5) Member of Real Estate Committee.

The terms of Messrs. Booth, Daniels, Ruocco and Stack expire at the 2000 Annual Meeting and the terms of Messrs. Cadwalader, Dezember and Stine expire at the 2001 Annual Meeting.

Board of Directors and Committees

Standing committees of the Board of Directors include the Executive, Audit, Compensation, and Real Estate Committees. The major functions of each of these committees are described briefly below.

Except for certain powers which, under Delaware law, may be exercised only by the full Board of Directors, the Executive Committee may exercise all powers and authority of the Board of Directors in the management of the business and affairs of the Company. The Executive Committee also functions as the Nominating Committee as needed. In this role, it periodically searches for and considers qualified candidates to serve on the Board of Directors. However, the nominees for director proposed by the Board of Directors are selected by the entire Board.

The Audit Committee recommends engagement of the independent accountants, reviews the arrangement and scope of audit, considers comments made by the independent accountants with respect to internal controls, reviews internal accounting procedures and controls with the Company's financial accounting staff, and reviews non-audit services provided by the Company's independent accountants.

The Compensation Committee periodically reviews and either adjusts or recommends to the Board of Directors appropriate adjustments to the compensation arrangements for executive officers.

The Real Estate Committee reviews all activities and issues related to the Company's real estate assets and opportunities. It receives and considers the analyses of the Company's outside land use and development consultants. The Committee directs management on the direction that the Company's real estate activities should take.

During 1998, there were five meetings of the Board of Directors, one of the Executive Committee acting as the Nominating Committee, two of the Audit Committee, one of the Compensation Committee, and none of the Real Estate Committee. During 1998 all incumbent directors attended 75% or more of the aggregate total of such meetings of the Board of Directors and committees of the Board on which they served. .

Director Compensation

On January 26, 1998, the Board of Directors increased the compensation payable to directors who are not employees of the Company to an annual retainer of $24,000, a fee of $1,000 for attendance at any meeting of the Board, a fee of $500 per Committee meeting attended by such director on the day of a Board meeting, and a fee of $1,000 per Committee meeting attended by such director on a day when the Board is not meeting. The fees are payable if the meeting was attended in person or by telephone conference call. The annual retainer is payable one-half in cash and one-half in stock options, unless the director elects to receive his entire retainer in stock options. If a director owns beneficially, or is affiliated with a person or entity which owns beneficially, 5% or more of the outstanding shares of the Common Stock of the Company, then that director may elect to receive his entire annual retainer in cash.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers and persons who own beneficially more than 10% of the Company's Common Stock to file reports of beneficial ownership and changes in ownership with the Securities and Exchange Commission. Mr. Metcalfe failed to timely file one such report as to one transaction, but promptly filed the report when the oversight was called to his attention.

EXECUTIVE COMPENSATION

The following table shows the aggregate compensation paid on an accrual basis by the Company and its subsidiaries during 1999 and each of the two previous years to the Chief Executive Officer and to the four other executive officers of the Company who were most highly compensated in 1998.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	ANNUAL COMPENSATION			LONG TERM COMPENSATION AWARDS		
	YEAR	SALARY(1) ($)	BONUS(1) ($)	SECURITIES UNDERLYING OPTIONS (#)	LTIP PAYOUTS ($)	ALL OTHER COMPENSATION(2) ($)
Robert A. Stine	1998	295,000	141,600	170,000	--	5,175
President and Chief	1997	275,000	100,000	0	--	5,075
Executive Officer	1996	183,333(3)	36,665(3)	100,000(4)	--	0
Matt J. Echeverria	1998	200,000	68,970	66,000	--	4,216
Senior Vice President	1997	185,000	35,000	0	--	4,116
	1996	165,000	25,000	0	--	4,266
Dennis Mullins	1998	150,000	67,500	34,000	--	3,350
Vice President,	1997	143,000	15,000	0	--	1,430
General Counsel and Secretary	1996	135,000	12,500	0	--	1,350
James E. Taylor	1998	155,000	62,729	16,000	--	3,003
Vice President	1997	124,417(5)	10,000	0	--	0
	1996	8,500(5)	0	0	--	0
Allen E. Lyda	1998	150,000	64,350	42,000	--	3,353
Vice President, Treasurer	1997	138,000	20,000	0	--	1,380
and Assistant Secretary	1996	115,000	20,000	0	--	1,150

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(1) Amounts shown include salary earned and received by executive officers. The bonus amounts shown were accrued by the Company in the years shown but were received by the officers in January and February of the following year.

(2) The amounts in this column include the matching contributions made by the Company under its 401(k) defined contribution plan, and contributions made to the officers' Supplemental Executive Retirement Plans.

(3) The amount shown reflects compensation for the partial year from May 1, 1996, when Mr. Stine became President and Chief Executive Officer of the Company, through December 31, 1996.

(4) In April 1997, the options granted to Mr. Stine in 1996 were amended to lower the previously existing exercise price of $17.875 per share to $16.00 per share, the closing price of the Company's Common Stock on the American Stock Exchange at the close of trading on the date of the amendment.

(5) The amounts shown include compensation as a consultant to the Company for services performed in December 1996 and January through April 1997. Mr. Taylor became an employee and an officer in May 1997.

The Company has entered into an agreement with Mr. Stine providing for him to serve as President, Chief Executive Officer and a director of the Company. Under the agreement he initially was entitled to a salary at an annual rate of $275,000 per year (subject to review after November 1997), a bonus of up to 50% of base salary and the grant of an option to purchase 100,000 shares of the Common Stock of the Company at the fair market value of the shares on the date the option was granted. The option was granted in May 1996 with an exercise price of $17.875 per share, and the price was decreased to $16.00 per share in April 1997. See "Stock Options." Although the agreement does not provide for a term of employment, Mr. Stine will be entitled to continuation of his salary for one year if the Company terminates his employment without cause. In addition such a termination would result in acceleration of the exercise dates of Mr.

Stine's stock options. The agreement also provides for perquisites consisting of a company car, country club membership and participation in the Company's health, disability and life insurance programs and its retirement plan.

The Company has entered into agreements with Messrs. Echeverria, Mullins and Lyda providing the employee with specified severance benefits in the event the Company terminates his employment without cause, or the employee terminates his employment for good cause, within two years following, or within three months prior to, and in connection with or anticipation of, a change of control of the Company. "Change of control" is defined to mean a liquidation of the Company; a change in the identity of a majority of the directors on the Board, with certain exceptions; or a transaction or series of transactions resulting in the sale of substantially all of the Company's assets or the merger, consolidation or reorganization of the Company, unless control of the Company or a successor company that controls the Company's assets is substantially the same after the transaction, as defined. The severance benefits generally consist of the continuation (for up to 30 months, subject to certain limitations) of the employee's salary, his average bonus over the three fiscal years preceding the termination, and Company health and life insurance, as well as the continuation for a substantially shorter period of time of applicable perquisites, including Company car, country club membership and/or Company housing. These agreements expire in July 1999, and no decisions have been made concerning the extension and/or amendment of these agreements.

Stock Options

The Company has a 1992 Stock Option Plan providing for the granting of options to purchase a maximum of 230,000 shares of Common Stock and a 1998 Stock Incentive Plan providing for the granting of awards, including stock options, with respect to a maximum of 800,000 shares of Common Stock. During 1998 options were granted to the officers named in the Summary Compensation Table under the 1998 Stock Incentive Plan to purchase shares as shown in the table below. No options were granted under the 1992 Stock Option Plan in 1998.

OPTION GRANTS IN LAST FISCAL YEAR

NAME	OPTIONS GRANTED	PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (per share)(1)	EXPIRATION DATE	GRANT DATE PRESENT VALUE(2)
Robert A. Stine	35,000	9.4%	$23.875	1/25/08	329,000
	135,000	36.2%	$20.25	11/30/08	1,124,550
Matthew J. Echeverria	21,000	5.6%	$23.875	1/25/08	197,400
	45,000	12.1%	$20.25	11/30/08	374,850
Dennis Mullins	12,000	3.2%	$23.875	1/25/08	112,800
	22,000	5.9%	$20.25	11/30/08	183,260
James Taylor	16,000	4.3%	$23.875	1/25/08	150,400
Allen E. Lyda	16,000	4.3%	$23.875	1/25/08	150,400
	26,000	7.0%	$20.25	11/30/08	216,580

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(1) The options granted in 1998 become exercisable as to 10% shares of the shares on the third anniversaries of the dates of grant, an additional 15% of the number of shares on each of the fourth and fifth anniversaries and an additional 30% of the number of shares on each of the sixth and seventh anniversaries. If the option holder leaves the employ of the Company for any reason other than death of disability, the options terminate three months after such termination of employment and are exercisable during that period only to the extent that they were exercisable on the date of termination of employment. In the case of termination of employment as a result of death or disability, the options terminate one year after such death or disability and are exercisable during that period only to the extent they were exercisable on the date of death or disability. The exercise dates of the options accelerate in the event of a "change of control," which is defined to include a merger, consolidation, transfer of all or substantially all assets, or the issuance or transfer of stock or other transactions or series of related transactions as a result of which persons or entities other than the stockholders of the Company immediately before the transaction or transactions own at least 80% of the voting stock of the Company or its

successor immediately after the transaction or transactions.

(2) Based on the Black-Scholes option pricing model adapted for use in valuing executive stock options. The grant date present value of these options was estimated with the following weighted average assumptions for 1998: Risk-free interest rate of 5.39%; dividend rate of .26%; volatility factor of the expected market price of the Company's common stock of .38; and a weighted average expected life of the options of six years from the option grant date.

The following table shows the number of options exercised in 1998 and the number of shares subject to exercisable and nonexercisable stock options outstanding at December 31, 1998, and held by executive officers named in the preceding Summary Compensation Table.

OPTION EXERCISES AND YEAR-END VALUE TABLE

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED($)	NUMBER OF UNEXERCISED OPTIONS AT FY-END(#) EXERCISABLE/ UNEXERCISABLE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FY-END($)(1) EXERCISABLE/ UNEXERCISABLE
Robert A. Stine	0	0	25,000/245,000	$96,875/0
Matthew J. Echeverria	0	0	19,000/66,000	$73,625/0
Dennis Mullins	0	0	11,310/34,000	$55,136/0
James E. Taylor	0	0	0/16,000	0/0
Allen E. Lyda	0	0	14,000/42,000	$54,250/0

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(1) Market value of underlying securities at year end, minus the exercise price of options.

Pension Plan

The Company contributes each year to a Pension Plan for its salaried employees the amount necessary to fund the Plan on a actuarially sound basis. The amounts of these annual contributions are not included in the compensation table above. Pension benefits to be received from the Plan upon retirement are determined by an employee's five year final average annual compensation, length of service with the Company and age at retirement, subject to certain limitations imposed on a qualified retirement plan by the Internal Revenue Code.

In 1991 the Company adopted a Supplemental Executive Retirement Plan (the "SERP") in order to restore to executives designated by the Compensation Committee of the Board of Directors the full benefits under the Pension Plan which would otherwise be restricted by certain limitations now imposed under the Internal Revenue Code. The SERP is unfunded, but the associated liability will be reflected on the Company's financial statement. No benefits under the Pension Plan or the SERP become vested until the earlier of (a) the participant's attainment of age 65, or (b) the completion of five or more years of vesting service (as defined under the Pension Plan referred to above). With respect to the SERP, an executive can become vested upon the incurrence of a total and permanent disability while employed by the Company as determined by the Board of Directors or the Compensation Committee. The Compensation Committee also has the power to grant a participant vested status with respect to the SERP even if he does not meet the foregoing requirements.

The table below illustrates the amount of annual pension benefits payable under the Plan (as increased by amounts payable to eligible executives under the SERP) to persons in particular classifications who work to the normal retirement age of 65.

Five Year Final Average Annual Compensation	Years of Service 10	20	25 or More
100,000	13,047	26,093	32,616
150,000	21,297	42,593	53,241
160,000	22,947	45,893	57,366
200,000	29,547	59,093	73,866
250,000	37,797	75,593	94,491
300,000	46,047	92,093	115,116
350,000	54,297	108,593	135,741
400,000	62,547	125,093	156,366
450,000	70,797	141,593	176,991
500,000	79,047	158,093	197,616

For purposes of pension benefits, earnings consist of compensation determined in the manner reflected in the preceding Summary Compensation Table, except that for pension benefit purposes, bonuses are included in the year paid instead of in the year accrued and amounts under "Long Term Compensation Awards" and "All Other Compensation" are not counted. The benefits presented are straight life annuity amounts and are determined based on the benefit formula required by the Plan, which conforms to the regulations of the Internal Revenue Service and ERISA. The credited years of service under the Plan as of December 31, 1998, for those named in the table above are Mr. Stine - 2 years, Mr. Echeverria - 19 years, Mr. Lyda - 8 years, Mr. Mullins - 5 years, and Mr. Taylor - - 1 year. All employees having one year in service to the Company participate in the Plan. This includes all current officers of the Company, except Douglas M. Ford, who was named Senior Vice President - Real Estate in March 1999.

Compensation Committee Interlocks and Insider Participation

Donald Haskell served as Chairman of the Board of Directors and Chairman of the Compensation Committee until his retirement in September 1998. During 1998 Mr. Haskell rented a Company owned house, and Wood River Ranch, a corporation in which Mr. Haskell is the sole shareholder, boarded horses at the Company's quarter horse facility. Aggregate payments made to the Company for rent and horse boarding and training, including reimbursements for incidental expenses, during 1998 totalled $46,672. The boarding and training fees charged Wood River Ranch are comparable to customary rates in the horse training and breeding business and are the same as fees charged to other horse owners not affiliated with the Company. The rent which Mr. Haskell pays for the house is not less than the rent which the Company charges persons not affiliated with the Company for comparable residences.

Commencing December 1, 1993, Mr. Haskell leased Mr. San Olen, a quarter horse, to the Company, which uses Mr. San Olen for breeding purposes. The lease term expired on December 31, 1998, and the Company is negotiating the term of a lease extension. The rent paid by the Company is $1.00 per year triple net, plus one-half of all net profits made from breeding Mr. San Olen with mares not owned by the Company. The leasing of horses for breeding purposes typically involves the payment of a substantial rent by the lessee. The Company believes that this agreement is favorable to the Company compared to other such horse lease arrangements.

Beginning in 1997 and continuing through 1998 and into 1999, Messrs. Echeverria and Lyda fed cattle for their personal accounts at Champion Feedlot in Hereford, Texas, which is owned by a Company subsidiary. Total costs in 1998 for feed, miscellaneous supplies and veterinary services were $71,610 for Mr. Echeverria and $28,912 for Mr. Lyda. Feed and other supplies and services were sold to these officers at the same prices they were then sold to unaffiliated feedlot customers. All accounts are current as of March 2, 1999. For nine days in October, Mr Lyda incurred indebtedness to the feedlot in the amount of $81,090, representing the cost of cattle purchased from third parties by the feedlot for Mr. Lyda's account. Mr. Lyda had previously established a line of credit with a local bank to finance this purchase, and the indebtedness was the result of a normal delay in funding the loan. Mr. Lyda paid interest on the indebtedness at the rate of 9.5% per annum, the same rate that the feedlot charges to unaffiliated customers, and all principal and interest was repaid in nine days.

Compensation Committee Report on Executive Compensation

The Compensation Committee of the Board of Directors has furnished the following report on executive compensation:

The Compensation Committee previously recommended to the Board of Directors and the Board adopted new policies applicable to determining the compensation of executive officers commencing with 1998. Under the new policies base salaries of executive officers are expected to remain relatively stable, with any significant increase in compensation to depend upon achieving certain specific performance goals. For 1998 executive salaries were increased by approximately 4-9% for the executives named in the Summary Compensation Table under "Executive Compensation" except for Mr. Taylor, whose base salary remained unchanged. Executives had the opportunity to earn bonus compensation for 1998 ranging from 20% to 50% of annual salary for Mr. Stine and 18% to 45% for the other named executives. Sixty percent of the bonus for Mr. Stine was based upon the extent to which the revenues and income of the Company achieved or exceeded previously specified amounts and 40% was based upon the extent to which he achieved a number of individual performance objectives relating to business development and operations of the Company and the development of its executive team. The entire portion of the bonus related to the Company's revenues and income and a substantial portion of the bonus related to individual performance objectives were earned by Mr. Stine.

For executives in charge of particular operating divisions, 40% of the bonus for 1998 was based upon Company revenues and income, 30% was based upon their own division's revenues and income and 30% was based upon achieving a number of individual performance objectives. For Mr. Lyda, whose performance does not relate to any particular division of the Company, 70% of the bonus was based upon the Company's revenues and income and 30% was based upon achieving individual performance objectives, and for Mr. Mullins, whose performance also does not relate to any particular division of the Company, those percentages were 50% and 50%.

The Compensation Committee also recommended, and the Board has adopted, a long-term compensation plan that contemplates the granting of options on a periodic basis in the discretion of the Board of Directors pursuant to the Company's 1998 Stock Incentive Plan. The Committee believes that stock options are a desirable form of long-term compensation because they more closely align the interests of the executives with those of the stockholders. The Committee recommended, and the Board approved, the granting of options to purchase an aggregate of 100,000 shares of Common Stock of the Company to the five executive officers named in the Summary Compensation Table in January 1998 and options to purchase an additional 228,000 shares in December 1998. See "Stock Options" above. As in past years, the number of shares subject to options granted to each executive reflects a subjective, long-term evaluation of the executive as well as the nature of his duties and level of experience.

The percentage of total compensation represented by salary, bonus and stock options for 1998 was determined by the Committee and the Board. Among the factors considered by the Committee and the Board was a study provided by an independent consultant as well as input from individual members of the Committee and the Board. No specific formulas were used to determine the relative mix of the three forms of compensation.

Dan T. Daniels, Rayburn S. Dezember,
Norman Metcalfe, Robert C. Ruocco

Members of the Compensation
Committee

Performance Graph

The following graph is a comparison of cumulative total shareowner returns for the Company, the Dow Jones Equity Market Index, and the Dow Jones Real Estate Index for the period shown.

	1994	1995	1996	1997	1998
TEJON RANCH	-17.59%	21.34%	-2.54%	71.76%	-18.31%
DJ EQUITY MKT	0.77%	38.37%	23.46%	34.06%	27.34%
DJ REAL ESTATE	-4.89%	23.58%	34.09%	18.96%	-22.54%

The stock price performance depicted in the above graph is not necessarily indicative of future price performance. The Performance Graph will not be deemed to be incorporated by reference in any filing by the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates the Performance Graph by reference.

The Dow Jones Real Estate Index, for the most part, includes companies which, unlike the Company, are principally engaged in the active phases of commercial land development and which have revenues substantially greater than those of the Company. The Company is unaware of any industry or line-of-business index that is more nearly comparable.

OTHER

Financial Information. The Company's Annual Report to Stockholders accompanies this Proxy Statement. Copies of the Company's Annual Report on Form 10-K (including the financial statements and financial statement schedules but without exhibits) filed with the Securities and Exchange Commission may be obtained without charge by calling or writing Corporate Secretary, Tejon Ranch Co., Post Office Box 1000, Lebec, California 93243, (661) 248-3000.

Independent Accountants. Representatives of Ernst & Young LLP, the independent public accountants for the fiscal year most recently completed, will be at the meeting, will have an opportunity to make a statement if they wish, and will be available to respond to appropriate questions from stockholders.

Stockholder Proposals. A stockholder's proposal will be considered at the 1999 Annual Meeting of Stockholders only if the stockholder provides timely notice of such proposal in writing to the Secretary of the Company. To be timely, a stockholder's notice must be delivered to or mailed and received at the principal executive offices of the Company not less than 30 days nor more than 60 days prior to the meeting as originally scheduled, but if less than 40 days notice or prior public disclosure of the date of the meeting is given or made to the stockholders, then the notice must be received not later than the close of business on the 10th day following the day on which the Notice of Annual Meeting of Stockholders was mailed. A stockholder's notice to the Secretary must set forth as to each matter the stockholder proposes to bring before the Annual Meeting (i) a brief description of the business desired to be brought before the Annual Meeting, (ii) the name and record address of the stockholder proposing such business, (iii) the class and number of shares of the Company which are beneficially owned by the stockholder, and (iv) any material interest of the stockholder in such business. To be considered for inclusion in the proxy statement for the 2000 Annual Meeting, stockholder proposals are required to be delivered to the Company on or before December 10, 1999.

Other Business. Management does not know of any matter to be acted upon at the meeting other than those described above, but if any other matter properly comes before the meeting, the persons named on the enclosed proxy will vote thereon in accordance with their best judgment.

Stockholders are urged to sign and return their proxies without delay.

For the Board of Directors,

RAYBURN S. DEZEMBER, Chairman of the Board
DENNIS MULLINS, Secretary

April 9, 1999

TEJON RANCH CO. PROXY
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned acknowledges receipt of the Notice of Annual Meeting of Stockholders and Proxy Statement, each dated April 9, 1999, and hereby appoints RAYBURN S. DEZEMBER and ROBERT A. STINE as Proxies (each with full power to act in the absence of the other, and each with full power of substitution), to represent and to vote all shares of Common Stock of Tejon Ranch Co. held of record by the undersigned on March 23, 1999, at the Annual Meeting of Stockholders to be held on May 4, 1999, or any adjournment or postponement thereof.

In their discretion, the proxies are authorized to vote upon such other business as properly may come before the meeting.

(Continued on reverse side)

PLEASE SIGN AND DATE ON REVERSE SIDE AND RETURN IN THE ACCOMPANYING ENVELOPE

-- FOLD AND DETACH HERE --

TEJON RANCH CO.

Annual Meeting of Stockholders
May 4, 1999 9:30 a.m.
Park Hyatt Los Angeles at Century City
Salon IV
2151 Avenue of the Stars
Los Angeles, CA 90067

- --

[X] Please mark your votes as indicated

	FOR	WITHHELD FOR ALL
1. Election of Four Directors (Class III) (except as written to the contrary below) John L. Goolsby, Norman Metcalfe, Kent G. Snyder, and Martin J. Whitman	[_]	[_]

(Instruction: to withhold authority to vote for any individual nominee write in the nominee's name in the space below.)

____

This Proxy, when properly executed, will be voted in the manner directed herein by the undersigned. If no direction is made, this proxy will be voted for the election of directors.

Date ____

____
Signature(s)

____
Signature(s)

Please sign exactly as name appears below. When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by authorized person.

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-- FOLD AND DETACH HERE --

TEJON RANCH CO.

Annual Meeting of Stockholders
May 4, 1999 9:30 a.m.
Park Hyatt Los Angeles at Century City
Salon IV
2151 Avenue of the Stars
Los Angeles, CA 90067